

ASSOCIATE SUPERINTENDENT APPROVAL _____

STATE BOARD MEETING DATE Dec. 3, 2007

SUBJECT: Raise the school district procurement sealed bid threshold to \$50,000

SUBMITTED BY: Douglas Peebles

MANAGEMENT TEAM REVIEW: _____

BACKGROUND INFORMATION:

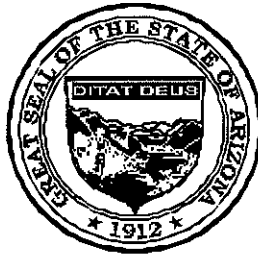
In 2005 A.R.S. § 15-213(A)(1) was revised to read "The state board shall not exceed the aggregate dollar limit for procurements prescribed in section 41-2535." Prior to 2005 change this threshold was \$30,000, as adjusted yearly by the GDP price deflector. The current aggregate dollar limit for school districts is \$33,689, which was established in June 2005. Section 41-2535 was changed in 2004 to increase the aggregate dollar threshold limit for state agencies to \$50,000. By raising the threshold to \$50,000, the threshold for the school districts will be the same as used by state agencies.

BOARD ACTION REQUESTED: ☐ INFORMATION ☒ ACTION/DESCRIBED
BELOW:

Approve an increase in the aggregate dollar limit for procurements for school districts to \$50,000 consistent with A.R.S 41-2535.

ATTACHMENTS: YES ☐ NO ☐

Arizona
Department of Education



Office of the
Auditor General

USFR MEMORANDUM NO. 213

TO: School District Administrators; County School Superintendents

FROM: Magdalene D. Haggerty, Office of the Auditor General
Vicki G. Salazar, Arizona Department of Education

DATE: June 20, 2005

SUBJECT: Increased Sealed Bid Threshold (Supersedes USFR Memorandum No. 209)

As required by Arizona Revised Statutes §15-213, the Arizona State Board of Education has increased the \$32,899 competitive sealed bid threshold by the annual percentage change in the GDP price deflator. Therefore, effective for fiscal year 2005-06, districts must follow the School District Procurement Rules for purchases exceeding \$33,689.

In accordance with the *Uniform System of Financial Records*, for purchases costing at least \$15,000, but not more than the competitive sealed bid threshold (now \$33,689), districts should continue to obtain written price quotations from at least three vendors. For purchases costing at least \$5,000, but less than \$15,000, districts should continue to obtain oral price quotations from at least three vendors.

If you have any questions or need assistance, please call the Office of the Auditor General, Accounting Services Division at (602) 553-0333, or the Arizona Department of Education, School Finance Operations Unit at (602) 542-5695.

MDH/VGS/lm